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BEFORE THE
ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE COMMISSION On) DOCKET NO.
Its Own Motion) 10-0366
)
)
Management Audit of)
Illinois-American Water Company to)
consider the costs of services)
obtained from its Service Company.)

Springfield, Illinois
Tuesday, August 23, 2011

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

MR. LARRY JONES, Administrative Law Judge

APPEARANCES:

MR. MATTHEW L. HARVEY
Office of General Counsel
Illinois Commerce Commission
160 North LaSalle, Suite C-800
Chicago, Illinois 60601
Ph. (312) 793-2433

(Appearing via teleconference on
behalf of Staff Witnesses of the
Illinois Commerce Commission)

SULLIVAN REPORTING COMPANY, by
Carla J. Boehl, Reporter
CSR #084-002710

1 APPEARANCES: (Continued)

2 MR. ALBERT STURTEVANT
3 Carpenter, Lipps & Leland, LLP
4 22 West Washington
5 Suite 1500
6 Chicago, Illinois 60602

7 (Appearing via teleconference on
8 behalf of Illinois-American
9 Water Company)

10 MS. JANICE DALE
11 Illinois Attorney General's Office
12 11th Floor
13 100 West Randolph
14 Chicago, Illinois 60601
15 Ph. (312) 814-3736

16 (Appearing via teleconference on
17 behalf of the People of the
18 State of Illinois)

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3	<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
4	(None)				
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13		<u>EXHIBITS</u>			
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15				<u>MARKED</u>	<u>ADMITTED</u>
	(None)				
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PROCEEDINGS

JUDGE JONES: Good morning. Call for hearing
Docket Number 10-0366. This is titled in part
Illinois Commerce Commission on its own motion,
management audit of Illinois-American Water Company
due to cost of service obtained from its service
company.

At this time we will take the
appearances orally for the record. If you have
appeared previously at a prehearing or status hearing
in this matter, you need not restate your business
address or phone number. We will start with the
appearance or appearances on behalf of the Illinois
Commerce Commission Staff.

MR. HARVEY: Appearing for the Illinois
Commerce Commission Staff, Matthew L. Harvey. I have
not previously appeared. My business address is 160
North LaSalle Street, Suite C-800, Chicago, Illinois
60601, (312) 793-2433.

JUDGE JONES: All right. Thank you.
Illinois-American Water Company.

MR. STURTEVANT: Good morning. Appearing on

1 behalf of Illinois-American Water Company, Albert
2 Sturtevant of Carpenter, Lipps and Leland. I
3 previously entered my appearance.

4 MS. DALE: Janice Dale on behalf of the Office
5 of the Attorney General. I have not previously
6 entered my appearance. My business address is 100
7 West Randolph Street, Chicago, Illinois 60601.

8 JUDGE JONES: All right. Thank you. Could you
9 give us your business phone number, please?

10 MS. DALE: Oh, I am sorry, (312) 814-3736.

11 JUDGE JONES: Thank you. Are there any other
12 appearances?

13 (No response.)

14 Let the record show there are not, at
15 least at this time.

16 Mr. Harvey, do you have a brief update
17 or status report with respect to this matter?

18 MR. HARVEY: Yes, Your Honor, I do. Based on
19 Staff's conversations with the auditor, we understand
20 that the company is cooperating very substantially
21 with the audit to date. The company has responded to
22 all 92 of the data requests that are currently due

1 that have been previously issued. There is an
2 additional eleven outstanding but not yet due.

3 Interviews with company and service
4 company representatives have been scheduled and the
5 great majority of these are taking place as
6 scheduled.

7 It is anticipated that the
8 identification of services which can be competitively
9 bid is a task which should be complete in
10 approximately 30 days time.

11 It is further my understanding that
12 the company would like this set over for something
13 like 90 days, although I will certainly let
14 Mr. Sturtevant speak to that himself.

15 But I think in summary, Your Honor,
16 all things are proceeding more or less as anticipated
17 and without any undue delays or hitches.

18 JUDGE JONES: When you say set over, are you
19 speaking of another status or are you speaking of
20 something else?

21 MR. HARVEY: I believe another status, Your
22 Honor. Again, I will let Mr. Sturtevant speak to

1 that.

2 MR. STURTEVANT: Yes, Your Honor. It was my
3 thought and Illinois-American's thought that, since
4 the audit is proceeding, that there would not
5 necessarily be a need for another status until we get
6 closer to the end of the audit time frame. So I was
7 going to suggest that we continue for approximately
8 90 days for another status, with the caveat that, if
9 the parties determined there was a need for a status
10 before then, we could go about requesting one.

11 JUDGE JONES: That contract signature date was
12 what date?

13 MR. STURTEVANT: July 11.

14 JUDGE JONES: Thank you. Ms. Dale, did you
15 have anything you wish to say about this?

16 MS. DALE: No, no, just sitting here and
17 listening to the report.

18 JUDGE JONES: All right. Thank you. To zero
19 in on some possible dates, we hereby go off the
20 record.

21 (Whereupon there was then had an
22 off-the-record discussion.)

1 JUDGE JONES: Back on the record. There was an
2 off-the-record discussion for the purposes indicated.
3 I believe there is a date for a status that is
4 acceptable to the parties or at least to which there
5 is no objection. I believe that looks like Tuesday,
6 November 22, at the hour of 2:00 p.m. by telephone.
7 But let me make sure.

8 Are there any objections to setting a
9 status on that date and time or any points of
10 clarification, any clarifications, with regard to
11 doing that?

12 MS. DALE: None, Your Honor.

13 MR. STURTEVANT: No, Your Honor.

14 JUDGE JONES: Thank you. All right. Then let
15 the record show that that is what we will do at the
16 close of today's status hearing.

17 Is there anything else the parties
18 wish to address before we continue this to the
19 above-mentioned date?

20 MR. HARVEY: Nothing from Staff, Your Honor.

21 JUDGE JONES: At this time then let the record
22 show that today's status hearing is concluded. Our

1 thanks to Mr. Sturtevant for circulating the call-in
2 number. At this time in accordance with the above,
3 this matter is continued to a status hearing date of
4 November 22 at the hour of 2:00 p.m.

5 (Whereupon the hearing in this
6 matter was continued until
7 November 22, 2011, at 2:00 p.m.
8 in Springfield, Illinois.)

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